GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:316
ANSWERED ON:03.02.2017
PoS/EDS Machines
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Will the Minister of FINANCE be pleased to state:

(a) whether the demand of Point of Sales (PoS) / Electronic Data Capture (EDC) machines in the country increased after announcement of demonetization and if so, the details thereof;
(b) whether the banks are not being provided the said machines to the business establishment on time after demonetization and if so, the details thereof;
(c) whether the Government has undertaken any study to assess the number of PoS machines needed to ensure smooth cashless economy in the country and if so, the details thereof;
(d) whether the Government has any proposal for procuring / imported the new PoS machines and if so, the details thereof along with the number of operational PoS machines presently working in the country;
(e) whether the Government has issued any guidelines to prevent PoS fraud and directed the banks to add more security features in the credit/debit cards to stop frauds and if so, the details thereof; and
(f) the other steps taken/being taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance
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(a) to (b) The demand of such machines in the country has increased after November 9, 2016, which is evident from the fact that during the months of November and December 2016, 2.52 lakh PoS machines have been installed.

(c) Government has not undertaken any such study.

(d) Government has no proposal for procuring PoS machines.

(e) Reserve Bank of India (RBI) has issued guidelines to prevent PoS fraud and directed the banks to add more security features in credit and debit cards to stop frauds, vide its circular dated May 26, 2016 on upgradation of ATMS and cards.

(f) Public Sector banks have been advised by the Government to structure rental payments in such a manner that the small merchant does not have to pay more than Rs. 100 per month rental on installation of PoS terminals.
National Bank for Agriculture and Rural Development (NABARD) has committed to support banks through the Financial Inclusion Fund for deployment of up to two PoS devices per village, to cover one lakh villages of Tier 5 and 6 areas.